

## Message Text

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PAGE 01 STATE 299524  
ORIGIN IO-03

INFO OCT-01 ISO-00 /004 R

66011  
DRAFTED BY:IO/IEP:ELBRUCE  
APPROVED BY:IO:TBROWN  
-----069755 161400Z /53  
R 160630Z DEC 77  
FM SECSTATE WASHDC  
INFO USMISSION GENEVA 0000

C O N F I D E N T I A L STATE 299524

FOLLOWING REPEAT USUN 5655 SENT ACTION SECSTATE DEC 15.  
QUOTE C O N F I D E N T I A L USUN 5655

FOR DEPUTY SECRETARY CHRISTOPHER, UNDER SECRETARY COOPER,  
AND ASSISTANT SECRETARIES MAYNES (IO) AND KATZ (EB) FROM FRANK (IO)

E.O. 11652: GDS  
TAGS: EGEN, UNGA, ECOSOC  
SUBJECT: 32ND UNGA, SECOND COMMITTEE - COMMON FUND RESOLUTION IN UN

REF: (A) USUN 5550; (B) USUN 5340; (C) STATE 295701.

1. IN INFORMAL DISCUSSIONS WITH G-77 REPRESENTATIVES,  
FRG, UK, CANADA, JAPAN, AND BELGIUM, THE G-77 REPRESENTA-  
TIVES SAID THAT THEY THOUGHT THEY COULD SELL THE FOLLOWING  
CHANGES IN RESOLUTION L.95 ON THE COMMON FUND:

2. IN PREAMBULAR PARAGRAPH VI, CHANGE "HAD TO BE" TO "WAS,"  
CHANGE "ON EVEN THE BASIC ELEMENTS" TO "EVEN ON BASIC ELEMENTS,"  
CHANGE "IN CONTRADICTION OF THE COMMITMENTS" TO "DESPITE A  
COMMITMENT." THE UNDERSTANDING HERE IS REMOVAL OF THE WORD  
"THE" BEFORE THE PHRASE "BASIC ELEMENTS" DOES NOT IMPLY THAT  
ONLY ONE SET OF BASIC ELEMENTS WOULD LEAD TO A SIGNIFICANT  
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COMMON FUND. THERE MAY BE OTHERS. IT IS ALSO UNDERSTOOD  
THAT RATHER THAN REFERE TO ALL OF THE COMMITMENTS MADE AT CIEC  
AND ELABORATED IN PREAMBULAR PARAGRAPH FIVE, THE ONLY COMMIT-  
MENT OF IMPORTANCE IN THIS CONTEXT IS THE COMMITMENT TO SECURE  
A SUCCESSFUL CONCLUSION OF THE SECOND NEGOTIATING CONFERENCE.  
WE ARE ALL DEEPLY CONCERNED THAT DESPITE (NOT IN CLEAR  
CONTRADICTION OF) THIS PLEDGE, WE DID NOT SUCCEED.

3. IN PREAMBULAR PARAGRAPH VII, SUBSTITUTE THE WORD "COULD" FOR THE WORD "WILL." IN OTHER WORDS, THERE COULD BE SERIOUS REPRECUSIONS, BUT THERE ALSO MAY NOT BE.

4. PREAMBULAR PARAGRAPH VIII WOULD READ "ACUTELY AWARE THAT IF THE NEGOTIATIONS ON A COMMON FUND FAIL, IT WILL ADVERSELY AFFECT THE COURSE OF INTERNATIONAL ECONOMIC CO-OPERATION, WITH SERIOUS CONSEQUENCES FOR THE FUTURE RELATIONSHIPS BETWEEN DEVELOPED AND DEVELOPING COUNTRIES." NOTE THAT THE ADVERSE EFFECTS AND SERIOUS CONSEQUENCES REFERE TO COOPERATION AND RELATIONSHIPS, RESPECTIVELY, NOT THE INTERNATIONAL ECONOMIC SYSTEM. GIVEN THE LEVEL OF FEELINGS ABOUT THE COMMON FUND, IT IS PROBABLY A TRUE STATEMENT AS IT READS.

5. PREAMBULAR PARAGRAPH IX WOULD BE CHANGED AS FOLLOWS: INSERT AFTER "BASIC ELEMENTS" THE PHRASE "DISCUSSED DURING THE WORD "INDEED." THIS PARAGRAPH THEN BECOMES AMBIGUOUS AS TO WHAT WAS AGREED AND OPENS UP THE REFERENCE TO BASIC ELEMENTS PUT FORWARD BY THE NORDICS WHICH WERE DIFFERENT FROM THE ONES PUT FORWARD BY THE G-77, AND THEY FEEL THEY NEED THIS CHANGE BECAUSE THEY DID NOT REACH COMPLETE AGREEMENT WITH THE G-77. THE CHANGES, HOWEVER, ARE MORE SIGNIFICANT IN CONNECTION WITH THE CHANGES IN OPERATIVE PARAGRAPH ONE, DESCRIBED BELOW.  
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6. CHANGES IN OPERATIVE PARAGRAPH ONE ARE THE FOLLOWING: STRIKE THE WORD "THOSE," AND CHANGE THE PHRASE "IN ORDER TO" TO "AS WOULD." THE IMPORTANCE OF THESE CHANGES IS THAT THE BASIC ELEMENTS IN OPERATIVE PARAGRAPH ONE ARE THOSE THAT WOULD ENABLE THE NEGOTIATIONS TO RESUME WITHIN A CLEARLY ESTABLISHED NEGOTIATING FRAMEWORK, AND THE BASIC ELEMENTS IN PREAMBULAR PARAGRAPH NINE ARE BASIC ELEMENTS DISCUSSED AT THE CONFERENCE, NOT NECESSARILY THE SAME ELEMENTS.

7. THE UNDERSTANDING IS THIS: THE G-77 REPRESENTATIVES WILL TRY TO SELL THIS WORDING TO THEIR GROUP AND PROPOSE ALSO THAT THE SPONSOR OF THE RESOLUTION, JAMAICA, WOULD MAKE A STATEMENT IN INTRODUCTION WHICH WOULD BE TO THE EFFECT THAT THIS RESOLUTION WAS NOT A FINGER-POINTING EXERCISE AND THAT OPERATIVE PARAGRAPH ONE WOULD NOT NECESSARILY APPLY TO ANY PARTICULAR COUNTRY. REPRESENTATIVES OF U.S., FRG, JAPAN, BELGIUM, AND UK WOULD TRANSMIT THESE PROPOSALS TO THEIR RESPECTIVE CAPITALS TO SEE WHETHER THEY COULD ACCEPT THEM AS A BASIC FOR CONSENSUS, POINTING OUT ALSO THE FOLLOWING UNDERSTANDINGS:

-- THE LINK BETWEEN BASIC ELEMENTS IN OPERATIVE  
PARAGRAPH ONE AND LAST PREAMBULAR PARAGRAPH WAS  
BROKEN, AND, THEREFORE, NO COUNTRY'S SUBSTANTIVE  
POSITION IS COMPROMISED BY THIS RESOLUTION,

-- THE SPONSOR HIMSELF WOULD MAKE CLEAR THAT RESO-  
LUTION WAS NOT AN EXERCISE IN LAYING BLAME.

THERE WOULD BE AN INFORMAL UNDERSTANDING THAT THERE WOULD BE  
NO FURTHER EXPLANATIONS BY ANY GROUPS, SINCE THIS WOULD PROBABLY  
BLOW ANY CONSENSUS APART. IF ANY OF THE INDUSTRIALIZED  
COUNTRIES FAIL TO GO ALONG WITH THESE PROPOSALS, OR IF THE G-77  
AS A GROUP CAN'T BUY IT, WE GO BACK TO THE ORIGINAL RESO-  
LUTION. WE WOULD PROBABLY HAVE FIVE ABSTENTIONS ON THE  
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ORIGINAL RESOLUTION -- U.S., UK, FRG, BELGIUM, AND JAPAN. CANAD,  
AUSTRALIA, AND FRANCE MAY VOTE FOR, PROBABLY WITH EXPLANA-  
TIONS. THE POSITIONS OF THOSE THREE ARE PROBABLY LINKED.  
THERE WOULD PROBABLY BE A RAFT OF EXPLANATIONS AND ACCUSA-  
TIONS IF WE FAIL TO REACH CONSENSUS.

7.A COMMENT: MISSION STRONGLY RECOMMENDS THAT WE GO FOR  
THE CONSENSUS PACKAGE. WE FEEL THAT OUR SUBSTANTIVE POSI-  
TIONS ARE FULLY PROTECTED AND THAT A HOST OF ACCUSATIONS  
AND BITTER CONTROVERSY WILL MAKE IT MORE DIFFICULT THAN EVER  
TO ACHIEVE WHAT WE WANT IN THE COMMON FUND NEGOTIATIONS  
WHICH WILL BECOME MORE HIGHLY CONTENTIOUS AND POLITICIZED  
THAN THEY ALREADY ARE. IT COULD END THIS GENERAL ASSEMBLY  
ON A RANCOROUS NOTE AND MAKE IT DIFFICULT FOR US TO MAKE A  
POSITIVE STATEMENT ON THE OVER-ALL RESULTS OF THE ASSEMBLY,  
AS ANDY YOUNG WOULD LIKE US TO DO. IT WOULD SERIOUSLY UNDER-  
MINE THE OVERVIEW PROCESS AND MAKE IT EXTREMELY DIFFICULT TO  
CONDUCT MORE SERIOUS AND BUSINESSLIKE DISCUSSIONS THERE.

8. MISSION ALSO RECOGNIZED THE COSTS OF GOING ALONG WITH  
CONSENSUS. IT WILL GENERATE EXPECTATIONS THAT OUR POSITION  
ON THE COMMON FUND WILL CHANGE AND THAT WE WILL BEGIN TO  
DEMONSTRATE SOME FLEXIBILITY. IF WE ARE NOT WILLING TO DO  
THIS AND WE ARE WILLING TO TAKE OUR CHANGES ON THE CON-  
SEQUENCES IN THE ABOVE PARAGRAPH, THEN WE SHOULD TAKE  
OUR LUMPS NOW IN THE GENERAL ASSEMBLY. END COMMENT.  
YOUNG  
UNQUOTE VANCE

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## Message Attributes

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**Previous Handling Restrictions:** n/a  
**Reference:** 77 USUN NEW YORK 5550, 77 USUN NEW YORK 5340, 77 STATE 295701  
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**Review Transfer Date:**  
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**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009